



LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH
550 S. VERMONT AVE., LOS ANGELES, CA 90020 HTTP://DMH.LACOUNTY.GOV



MARVIN J. SOUTHARD, D.S.W.
Director

ROBIN KAY, Ph.D.
Chief Deputy Director

RODERICK SHANER, M.D.
Medical Director

May 14, 2015

TO: Each Supervisor
Robin Kay for
FROM: Marvin J. Southard, D.S.W.
Director

SUBJECT: **NOTICE OF INTENT TO REQUEST DELEGATED AUTHORITY TO
APPROVE A PERCENTAGE INCREASE EXCEEDING TEN PERCENT
OF THE MAXIMUM CONTRACT AMOUNTS FOR ALL 136
DEPARTMENT OF MENTAL HEALTH LEGAL ENTITY AGREEMENTS**

This is to advise your Board that the Department of Mental Health (DMH) is scheduling a Board letter for the June 9, 2015, agenda requesting approval to execute Legal Entity (LE) Agreements with 65 expiring contractors for Fiscal Year 2015-16 with two one-year automatic renewal provisions and to amend the remaining LE Agreements with 71 existing contractors to ensure uniformity of terms and conditions in all DMH LE Agreements and continuity of care. The Board letter also requests an additional 15 percent for a total of 25 percent delegated authority to increase the revised Maximum Contract Amounts of these LE Agreements.

In accordance with Board of Supervisors Policy No. 5.120, prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts over ten percent.

JUSTIFICATION

This authority will allow DMH greater capacity to amend the LE Agreements to implement new funding streams, programs, and services in an expeditious manner. It will also allow DMH and its LE contractors to maintain business continuity in the provision of current mental health services to severely and persistently mentally ill adults and seriously emotionally disturbed children, adolescents, and their families throughout the County of Los Angeles. In most instances where speed and response time are of key importance, the increased delegated authority will allow DMH and its network of contract agencies to maximize, prioritize, and increase access to services on a continuous and ever-increasing basis to its ever-growing clientele, which more effectively meets the County's mission, "To Enrich Lives Through Effective And Caring Service."

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Should there be a need to exceed the 25 percent delegated authority, DMH will return to your Board with a request for authority to amend the contracts accordingly.

NOTIFICATION TIMELINE

Consistent with the procedures of Board Policy No. 5.120, we are informing your Board of our intention to proceed with filing the Board letter with the Executive Office of the Board of Supervisors for the June 9, 2015, Board meeting.

If you have any questions or concerns please contact me, or your staff may contact Richard Kushi, Chief, Contracts Development and Administration Division, at (213) 738-4684.

MJS:DM:RK:sk

c: Acting Executive Officer, Board of Supervisors
 Interim Chief Executive Officer
 County Counsel
 Robin Kay, Ph.D.
 Dennis Murata, M.S.W.
 Kimberly Nall
 Richard Kushi